

NEMROD MINING CO. LTD.

(No Personal Liability)

SUITE 905 — 360 ST. JAMES ST. WEST

MONTREAL, P.Q.

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Annual Report

For the Fiscal Year Ended April 30th, 1966

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OFFICERS

LEO BROSSARD	- - - - -	President
MARCEL ALLARD	- - - - -	Vice-President
URBAIN NANTEL	- - - - -	Secretary-Treasurer

DIRECTORS

LEO BROSSARD	- - - - -	Mount-Royal, P.Q.
MARCEL ALLARD	- - - - -	Outremont, P.Q.
URBAIN NANTEL	- - - - -	Montreal, P.Q.
GERARD O. BEAULIEU	- - - - -	Montreal, P.Q.
FRANK BAZSO, JR.	- - - - -	Saint-Lambert, P.Q.
ADRIEN RENAUD	- - - - -	Montreal, P.Q.
J. C. SHAW	- - - - -	Preville, P.Q.

TRANSFER AGENT AND REGISTRAR

GUARANTY TRUST COMPANY OF CANADA
427, ST. JAMES ST. WEST, MONTREAL

AUDITORS

RAYMOND, CHABOT, MARTIN, PARÉ & CIE, C.A., MONTREAL

RAPPORT DU PRÉSIDENT AUX ACTIONNAIRES

Le Rapport Annuel de la Compagnie pour l'année fiscale terminée le 30 avril 1966 vous est soumis ci-joint avec le Bilan et autres Etats Financiers connexes.

Durant l'année, votre Compagnie a exécuté des travaux d'exploration sur trois groupes de claims. Sur la propriété de 840 acres dans le canton de Louvicourt, des levés magnétique, électromagnétique et de polarisation induite furent suivis de 2,342 pieds de sondages. On effectua des levés géophysiques semblables sur les terrains du canton de Pascalis où l'on forra 2 trous d'une longueur globale de 1,040 pieds pour explorer des anomalies électriques. Enfin, dans le canton de Lasarre, un trou de sondage de 375 pieds fut foré sur une anomalie repérée lors d'un levé au magnétomètre.

Dans le canton de Vassan, certains claims furent abandonnés, mais par contre on piqueta 4 nouveaux claims couvrant un massif de granodiorite où d'intéressantes valeurs en or ont déjà été obtenues.

Durant l'année fiscale, Timrod Mining Co. Ltd., dont Nemrod détient 750,000 actions sous écou, fit des levés géophysiques sur ses deux propriétés ainsi que 3,702 pieds de forages dans le canton Hébécourt et 2,172 pieds sur le groupe du canton Godfrey dans la région de Timmins.

Montréal, août 1966.

Au nom du Bureau de Direction,

LÉO BROSSARD, *Président*



PRESIDENT'S REPORT TO SHAREHOLDERS

Submitted herewith is the Annual Report of the Company for the fiscal year ended April 30th, 1966, together with the Balance Sheet and related Financial Statements.

During the year, your Company carried out exploration work on three claim groups. On the 840-acre property in Louvicourt township, magnetic, electromagnetic and induced polarisation surveys were followed with 2,342 feet of diamond-drilling. Similar geophysical surveys were carried out in Pascalis township where 2 holes totalling 1,040 feet were drilled to explore electrical anomalies. Finally, in Lasarre township, one 375-foot hole was bored on an anomaly detected in a magnetometer survey.

In Vassan township, certain claims were dropped, but 4 new claims were staked covering a plug of granodiorite where interesting gold values were obtained in previous work.

During the fiscal year, Timrod Mining Co. Ltd., of which Nemrod holds 750,000 pooled shares, carried out geophysical surveys on its two properties and drilled 7 holes totalling 3,702 feet in Hebecourt township and 4 holes totalling 2,172 feet in Godfrey township in the Timmins area.

Montreal, August 1966.

On behalf of the Board,

LEO BROSSARD, *President*

BALANCE SHEET — APRIL 30th, 1966

ASSETS

CURRENT ASSETS

Cash	\$ 10,956
Loan receivable	1,500
Interests receivable	1,237

\$ 13,693

INVESTMENTS

Shares of mining companies (Note 1)	2,344
Marketable bonds (Market value \$149,117)	<u>150,876</u>

153,220

MINING PROPERTIES, at cost : Mining claims (Note 2)

2,414

FIXED ASSETS, at cost : (Underpreciated) Office furniture

915

DEFERRED EXPENSES

Development and exploration expenses — Schedule "A"	97,262
Administration expenses — Schedule "B"	<u>19,335</u>

116,597

\$286,839

LIABILITIES

CURRENT LIABILITIES

Accounts payable	\$ 7,343
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Capital Stock

Authorized : 3,000,000 shares with a par value of \$1.00 each	<u>\$3,000,000</u>
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Issued and fully paid : 1,600,006 shares for cash	1,600,006
Less : Discount thereon	<u>1,310,000</u>

290,006

1,000,000 shares for mining claims subsequently abandoned	1,000,000
Less : Discount thereon	<u>700,000</u>

300,000

590,006

2,600,006

Deficit — Statement No. 2	<u>310,510</u>
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\$279,496

\$286,839

Note 1 — SHARES OF MINING COMPANIES : 66,666 shares of Abitibi Metals Mines Ltd.
1,219 shares of Massval Mines Limited
750,000 shares of Timrod Mining Co. Ltd.

\$ 1

2,343

\$ 2,344

The 750,000 shares of Timrod Mining Co. Ltd. were acquired in consideration for eighteen mining claims.

Note 2 — MINING CLAIMS : Thirty-seven claims held under development licenses acquired and paid for in cash. Eighty-eight claims held under development licenses or miner's certificates acquired at cost of staking by the company. Fifty-nine of these claims are in the process of being registered with the Department of Natural Resources.

\$ 1,448

966

\$ 2,414

These mining claims are situated in the townships of Vassan, Louvicourt, Hebecourt, Bacon, La Sarre and Pascolis.

Signed on behalf of the Board
(LEO BROSSARD), Director
(URBAIN NANTEL), Director

We have examined the balance sheet of NEMROD MINING CO. LTD. (No Personal Liability) as at April 30, 1966, the statement of deficit and the schedules of deferred development and exploration expenses and of administration expenses, and we have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the company, the accompanying balance sheet together with the notes attached, the statement of deficit and the schedules of deferred development and exploration expenses and of administration expenses, present fairly the financial position of the company as at April 30, 1966 in accordance with generally accepted accounting principles applied on a consistent basis.

DEFERRED EXPENSES — YEAR ENDED APRIL 30th, 1966

Schedule "A"

DEVELOPMENT AND EXPLORATION EXPENSES	From May 1, 1957 to April 30, 1965	Year Ended April 30, 1966	Total
Geophysical and geological surveys	\$ 15,810	\$ 5,766	\$ 21,576
Diamond drilling and assaying	40,081	6,983	47,064
Taxes — Claims	5,055	1,268	6,323
Draughting, mapping and photography	1,794	281	2,075
Travelling and transportation	2,664	494	3,158
Prospecting supplies and expenses	797	—	797
Engineering and consulting fees	18,112	2,875	20,987
Rent and maintenance of building	1,606	325	1,931
	<u>\$ 85,919</u>	<u>\$ 17,992</u>	<u>\$103,911</u>
Less : Expenses transferred to deficit account			6,649
Balance April 30, 1966			<u>\$ 97,262</u>

Schedule "B"

ADMINISTRATION EXPENSES			
Public relations	\$ 621	\$ 605	\$ 1,226
Rent	1,080	830	1,910
Taxes and licenses	933	167	1,100
Transfer agents' fees and expenses	745	78	823
Audit and legal fees	3,030	400	3,430
General expenses	94	—	94
Stationery and printing	635	543	1,178
Advertising	117	10	127
Bank charges	15	278	293
Office salaries	527	1,932	2,459
Office expenses	499	100	599
Travelling expenses	690	—	690
Telephone	1,401	291	1,692
Administration fees	4,100	1,200	5,300
	<u>\$ 14,487</u>	<u>\$ 6,434</u>	<u>\$ 20,921</u>
Less : Expenses transferred to deficit account			1,586
Balance April 30, 1966			<u>\$ 19,335</u>

STATEMENT OF DEFICIT — YEAR ENDED APRIL 30th, 1966

	From Inception to April 30, 1965	Changes during year	Balance April 30, 1966
Organization expenses	\$ 2,537	—	\$ 2,537
Cost of mining claims abandoned	302,028	1,198	303,226
Development and exploration expenses on abandoned mining claims	45,961	6,649	52,610
Administration expenses on abandoned mining claims	2,495	1,586	4,081
	<u>\$353,021</u>	<u>\$ 9,433</u>	<u>\$362,454</u>
DEDUCT			
Dividends received	\$ 1,987	—	\$ 1,987
Interest received	18,211	8,428	26,639
Revenue from cancelled options on mining claims	1,875	—	1,875
Profit on sale of investments	21,543	(100)	21,443
	<u>\$ 43,616</u>	<u>\$ 8,328</u>	<u>\$ 51,944</u>
	<u>\$309,405</u>	<u>\$ 1,105</u>	<u>\$310,510</u>